

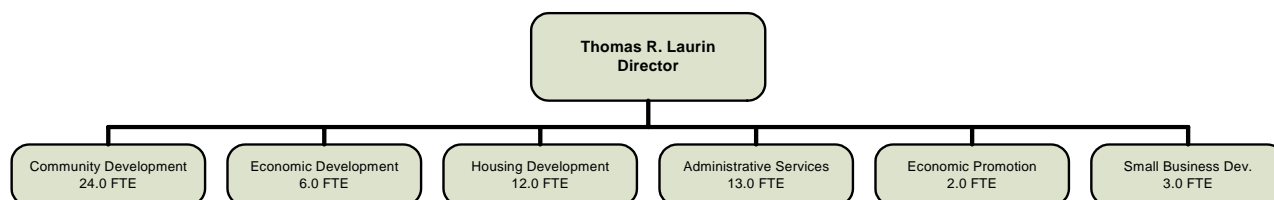
COMMUNITY DEVELOPMENT AND HOUSING

Thomas R. Laurin

I. MISSION STATEMENT

The Department of Community Development and Housing works to improve the quality of life for residents of the county through the identification, obtainment and administration of local, state, federal and private funding resources available for community development and housing programs.

II. ORGANIZATIONAL CHART



III. DESCRIPTION OF MAJOR SERVICES

The Department of Community Development and Housing is responsible for administering federal, state, and local grant funds allocated to the County of San Bernardino for housing and community development programs. Federal funds comprise a large percentage of the total monies included in the department's budget through the Community Development Block Grant (CDBG), the Emergency Shelter Grant (ESG), the Home Investment Partnership Act Grant (HOME), the Neighborhood Initiative Grant (NI) and the Economic Development Initiative Program (EDI) Grant.

The Department of Community Development and Housing obtains grants from the U.S. Department of Housing and Urban Development (HUD) to fund construction, new housing construction, housing rehabilitation, economic development, public service and community revitalization projects throughout the county. The primary HUD grants administered by CDH are CDBG, HOME and ESG.

The CDBG program has the purpose of providing decent housing, suitable living environments and expanded economic opportunities, principally for low-and moderate-income persons. The CDBG program offers grant funds for a wide variety of projects to meet local community needs. CDBG funds can be used to build community facilities, roads, and parks; to repair or rehabilitate housing, to provide new or increased services to local residents or to fund initiatives that generate new jobs. In all instances, the CDBG program is governed by regulations issued by HUD. The county's CDBG program is designed to maximize public benefit while fully complying with CDBG regulations and related laws.

HOME funds assist in expanding and preserving the supply of decent, safe, sanitary and affordable housing. The county's HOME program provides loans to non-profit agencies, Community Housing Development Organizations (CHDO's), for-profit housing developers, rental housing owners, and new homebuyers for a variety of new construction, rehabilitation, rental assistance, and home ownership programs. The HOME program is carried out in accordance with HUD-issued regulations. Additionally, HOME funds provide rent subsidies and security deposit assistance to very low-income families.

Emergency shelter and related services are provided to homeless persons from locations throughout the county using Emergency Shelter Grant (ESG) funds. The county sub-grants ESG funds to homeless assistance agencies that operate shelters or provide motel vouchers and rental assistance. These services are coordinated through information, counseling, referral and rental assistance activities to provide a continuum of care to reduce the incidence and severity of homelessness. As with the CDBG and HOME programs, the ESG program is governed by HUD regulations.

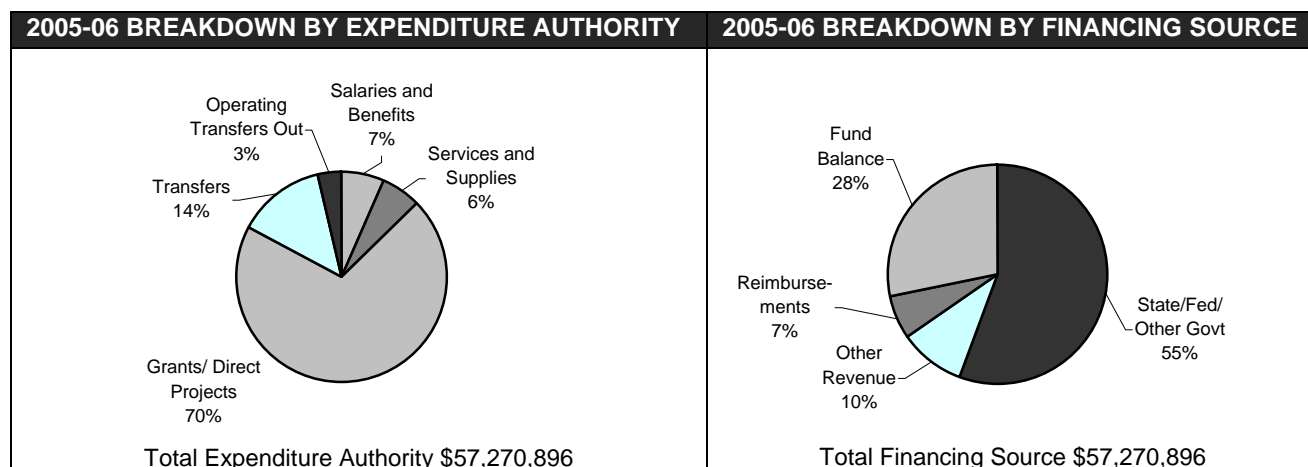
The Department of Community Development and Housing ensures that the county receives, retains and utilizes the maximum grant funds available. This involves writing and administering project contracts with cooperating cities, non-profit agencies and other county departments. CDH coordinates closely with County



Counsel and Risk Management in writing contracts and performs contract compliance monitoring including on-site monitoring visits.

Finally, the Department of Community Development and Housing is responsible for preparing the county's Annual Consolidated Plan and Annual updates and Action Plans, processing grant agreements with HUD, preparing annual consolidated plan performance reports, and coordinating HUD monitoring visits.

IV. 2005-06 BUDGET



V. GOALS & 2006-07 OBJECTIVES AT CURRENT FUNDING LEVELS

GOALS	2006-07 OBJECTIVES
1. Process the HUD-required documents that permit the county to qualify as an Urban County under the CDBG, HOME and ESG programs.	A. Prepare CDBG and HOME Agreements with Cities for 2006, 2007 & 2008. B. Schedule and meet time line for Cooperation Agreements. C. Schedule and meet time line for Delegate Agency Agreements.
2. Develop and coordinate the Consolidated Plan process for obtaining the HOME Investment Partnerships Act (HOME), the Emergency Shelter Grant (ESG) and the Community Development Block Grant (CDBG) entitlement formula grants.	A. Prepare the 2006-2007 Action Plan. B. Prepare the 2006-2007 Action Plan Summary. C. Process the 2006-2007 Grant agreements. D. Prepare the 2006-2007 ESG RFP. E. Prepare the 2006-2007 HOME Community Housing Development Organization (CHDO) RFP.
3. Overseeing the implementation of new and continuing CDBG, HOME and ESG projects approved in the annual Action Plan and amendments.	A. Establish a target date for contract & A&B execution within one month upon project funding. B. Provides project management for funded activities, set and meet implementation goals.
4. Prepares an annual performance report covering the Consolidated Plan Grant Programs for submittal to the Department of Housing and Urban Development (HUD).	A. Prepare HUD required reports. B. Implement the HUD IDIS system for reporting and the drawing of grant funds. C. Provide program monitoring to insure compliance by assisted activities.



The Community Development and Housing goals were selected to assist in identifying the main mission of the department. The goals provide an awareness of the steps that must be taken to guarantee the receipt of the federal entitlement community development and Housing grants totaling over \$14 million dollars each year. In San Bernardino County, we use CDBG Funds to leverage local and private financing to assist in the revitalization of our neighborhoods. Our per capita income is significantly below the national level and as a result, we find it difficult to generate local financing to make necessary improvements to our declining neighborhoods. Last year in San Bernardino County unincorporated communities and cooperating cities, CDBG assisted in improvements to 43 neighborhood facilities including parks and recreation facilities, facilities for senior citizens and disabled persons, fire stations, teen and community centers, and libraries. Also, CDBG enabled the county to construct fourteen infrastructure improvement projects in our low-and moderate-income neighborhoods. Without CDBG, these improvements would not have occurred and our neighborhoods would have experienced further decline.

CDBG has been an important source of funding needed in the County of San Bernardino for assisting low-and moderate-income homeowners in making their homes more livable and further improve the quality of housing in the community. Last year over 270 homes were repaired at no cost to our senior homeowners. Further, CDBG has permitted the county to make below market financing for 60 homes in need of rehabilitation.

In addition, CDBG assistance has made vital human services available to over 39,000 people of all ages in San Bernardino County through 92 community-based programs. These services range from crisis pregnancy counseling, to mother-infant care, to child care, to cultural education for children, to after school homework and tutoring programs, to gang and substance abuse intervention services, to immigration services, to family crisis intervention, to domestic violence shelter and homeless shelter services, to meals for homebound disabled and senior citizens.

Nationally, CDBG has created in excess of 90,000 jobs for lower income persons. Of these jobs, 6,770 have been retained or created in the County of San Bernardino. This infusion of development capital has had a multiplying effect on local economic output and further job creation.

The HOME Investment Partnerships program builds upon the significant capacity and experience of county and other local and state governments to design and implement affordable housing programs for low- and moderate-income persons. HOME funds in the amount of \$1,193,300 were used to fund twenty-nine (29) "Silent Second" Trust Deeds to assist First Time Homebuyers under the Homeownership Assistance Program during the 2004-05. In addition, the HOME funded Tenant Based Rental Assistance Program provided rental assistance in the amount of \$622,013 to 129 low income families and security deposit assistance in the amount of \$564,197 to 436 low income families during the 2004-05.

PROGRAM APPLICATION PLANNING

The Department of Community Development and Housing prepared the current five-year Consolidated Plan in late 2004 and early 2005, which was adopted by the Board of Supervisors in April 2005. The Consolidated Plan was submitted to HUD on May 31, 2005. The plan covers 2005-06, 2006-07, 2007-08, 2008-09 and 2009-10. The Consolidated Plan is a fluid document and can be updated annually to reflect changing needs, project priorities and the annual grant allocations from HUD. The annual updates of the Consolidated Plan will be presented to the Board of Supervisors for approval each year in April and submitted to HUD in May.

HUD regulations governing the development of the five-year Consolidated Plan require intensive citizen participation through local needs assessment meetings. Projects subsequently selected for funding must consider the needs identified at those meetings. Twenty-four (24) Community Needs Identification Forums for the new five-year plan were held in October and November of 2004. Each of the thirteen cooperating cities held a needs identification forum. Also, Community Needs Forums were held in unincorporated areas throughout the county. These forums invited local residents to consult with city and county officials and testify about housing, economic, and community development needs in their neighborhoods.

CDH staff organized and conducted needs identification forums in the following unincorporated communities: Hinkley/Helendale/Trona Region (forum held in Hinkley), Bloomington, South Montclair, Crestline and Mountain Communities (forum held in Crestline), West Fontana, Joshua Tree/Morongo Basin Area (forum

held in Joshua Tree), Lucerne Valley, Muscoy and the Tri-Communities of Phelan, Pinon Hills and El Mirage, and including Wrightwood (forum held in El Mirage).

The needs identification forums involved requesting the assistance from each of the cooperating cities in advertising and conducting a forum in their jurisdiction and reporting the results to our office. The unincorporated area forums were held at community facilities and advertised by CDH in local newspapers.

In February 2005, the results of the needs identification forums, along with various mail-out surveys and consultation meetings, were presented to the Board of Supervisors. The results of the needs identification process are used each year to make project funding priority decisions in formulating the Action Plan. For the second year (2006-07), third year (2007-08), and fourth year (2008-09), updated Needs Identification Reports will be presented to the Board of Supervisors in February 2006, February 2007 and February 2008 and February 2009 respectively.

In order to receive the CDBG, HOME, and ESG funds, the county must apply annually to HUD. The Department of Community Development and Housing is responsible for preparing the county's CDBG, HOME, and ESG applications, referred to as an Action Plan under the County's Consolidated Plan. The Action Plan process includes receiving project proposals and identifying projects funding. Normally, this process results in the annual identification of over 400 proposed projects and the funding of more than 200 activities. A three-month project solicitation period begins each year in October. The overall application process concludes in June of the following year after the Action Plan is approved by the Board of Supervisors and is submitted to HUD. During this nine (9) month period, the division meets with community groups, the cooperating cities, and county agencies to develop a list of recommended project proposals. In April, a public hearing before the Board of Supervisors is held to review the application and the list of proposed projects. Public testimony is received and the hearing is continued for two weeks. At the close of the continued hearing, the Board approves the Proposed Action Plan and directs staff to prepare the Final Action Plan and submit it to HUD. Funding for the approved projects is released from HUD in July. The Action Plan is distributed to each public library and cooperating city. The Consolidated Plan also can be found on the county website. Also, a Citizens Summary of the CDBG Action Plan is prepared and placed on the county CDH website.

CDBG PROGRAM IMPLEMENTATION

The Department of Community Development and Housing is currently overseeing the implementation of over 415 active projects of which 165 are new or received additional funding for the 2005-2006 program year. These projects include both capital improvement and public service projects. Capital improvement projects, such as the construction of street improvements or community facilities, are usually implemented by a cooperating city or a county department over a multiple-year period. Public service projects such as funding for the domestic violence shelters, youth recreation and advocacy services, or legal aid counseling, are generally provided by community-based organizations during a one-year period. Some of the funded services such as literacy education have been provided by county agencies.

The oversight responsibility for the implementation of the CDBG funded projects is extensive. Projects located in a city are usually implemented by the city under agreement with the county. Projects located in unincorporated communities are implemented by county departments or community organizations. CDH is responsible for preparing the contracts for each activity.

The department also is responsible for ensuring that each entity given implementation responsibility carries out their project in a manner that complies with federal regulations. To assist county CDBG subrecipients in meeting the program and county procedures, the Department of Community Development and Housing has developed a Subrecipient Manual. The manual is updated annually and distributed at regional training workshops. A copy of the county's CDBG Subrecipient Manual can be found on the county CDH website.

PERFORMANCE REPORTING

After each program year the Department of Community Development and Housing prepares an annual performance report covering the HOME, ESG, and CDBG Programs for submittal to the Department of

Housing and Urban Development (HUD). A public hearing is held annually in mid September to review the county's performance and accomplishments under these programs. The citizen comments received are incorporated in the county's annual performance report. The final performance report is a part of the county's Consolidated Annual Performance and Evaluation Report (CAPER), which is required by HUD. The CAPER is sent to county libraries and cooperating cities for public access. CDH also prepares a summary of the CAPER. That document is called the Annual Performance Review. A copy of the Annual Performance Review is placed on County's ECD website. The performance report is used by HUD to evaluate the county's performance in carrying out its activities in a timely manner.

The division also is responsible for prepared semi-annual reports to HUD covering labor standards compliance and minority contracting. These reports, combined with HUD's monitoring, determines if the county has the continuing capacity to carry out the program. Ancillary to the above, is the division's responsibility as the primary contact for HUD monitoring of the County's CDBG, HOME, and ESG programs. All files and systems are open to HUD annually for inspection. CDH coordinates the HUD contact and official county response.

MONITORING

Federal regulations require that CDBG funded projects continue to comply with program eligibility regulations while they are being carried out, and for the life of the improvements constructed or useful life of equipment or vehicles purchased. The Department of Community Development and Housing is responsible for performing the following monitoring duties:

- On-site monitoring visits to non-profit agencies
- Office visits to cooperating cities.
- On-site inspections of completed facilities.
- Written reviews of program income statements from non-profit agencies.
- Labor standards monitoring of construction projects.

To assist agencies in carrying out their responsibilities under the CDBG program, CDH provides a subrecipient training program. The program includes meeting the agencies in a group setting and one on one. The department has written an easy to read training manual that is updated annually.

CDH monitoring and program management efforts are managed and enhanced by tracking and status reports maintained by the Community Development Division. These reports include:

- Current Projects Status Report
- CDBG Fiscal Tracking Report
- Payroll Log
- Subrecipient Monitoring Report
- Subrecipient Contract Tracking Report
- Reimbursement Transaction Tracking System

VI. PERFORMANCE MEASURES AT CURRENT FUNDING LEVELS

OBJT.	MEASUREMENT	2006-07 (Projected)
1A.	Percentage of Emergency Shelter Grant (ESG) "Cold Weather Shelter Program" contracts with non-profit homeless service providers executed within 30 days of completion of RFP.	75%
1B.	Percentage of Community Development Block Grant (CDBG) project Environmental Review Records (ERR) approved by HUD within 90 days of project approval.	80%

If there are questions about this business plan, please contact Thomas R. Laurin, Director, at (909) 388-0808.

